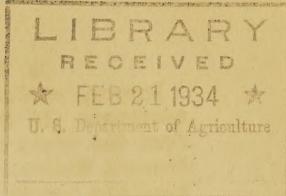


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To the Coordination Committee:

We, the undersigned, George R. Wicker and John Henry Lewin, a special committee appointed to consider and recommend a proper set-up and procedure for the efficient handling of license enforcement, hereby submit our report with the following suggestions:

1. Appropriate regulations under each marketing agreement and/or license should provide for a local agency, composed of members of the industry, to deal with violations in the first instance. These local agencies should be provided with necessary funds, to be obtained if legally possible by assessments upon the industry itself, and should be encouraged, under the direct supervision of the Coordination Committee; to seek out violations; to investigate detected violations fully; and, where amicable correction is impossible, to report them fully and completely in the form of detailed affidavits of fact, accompanied by supporting documents, to the respective chiefs of the commodity sections in Washington. These local agencies should be assisted to the fullest extent by such field representatives as are retained. They should be provided with blank forms of affidavits and also with a manual or set of instructions to be prepared by the Office of the General Counsel, with particular reference to the problems arising under the particular license administered. These local agencies, and the field representatives retained, should work in close harmony with any investigators who may be sent into the territory from time to time from Washington, as hereinafter provided for.

2. Reports from the local agencies containing data relating to new violations should be sent in the first instance directly to the respective commodity chiefs. The commodity chief receiving a report should review the data briefly, and, if the case on its face appears to warrant action, should report it immediately to the Office of the General Counsel for complete analysis of the facts and of the principles of law involved. After the chief of the commodity section has referred a case to the Office of the General Counsel, he shall advise the local agency and/or field representative to report any further data relating to the case directly to the Office of the General Counsel.

3. The General Counsel should assign the case to a lawyer, preferably to the lawyer who drafted the license in question. If the data thus submitted is in sufficient detail to form the basis of an opinion or to warrant formal action, the General Counsel should report his recommendations at the earliest possible moment to the commodity chief. This report should be clear and succinct, and should point out the strength and/or weakness of the case. If, in the opinion of the General Counsel the matters justify and require the Secretary to bring equity proceedings for relief by injunction, the report should so state. If revocation proceedings are recommended in the report, a draft of an appropriate Order to Show Cause should accompany the report. If the matter has been satisfactorily disposed of and rectified by the Office of the General Counsel by correspondence, telegrams, etc., exchanged with the alleged violator, the report should state the disposition made.

4. If the data submitted is not in sufficient detail to form the basis of an opinion or to warrant formal action, the Office of the General Counsel should obtain additional data before reporting. This additional data may be obtained from the local agency and/or the field representative, or in some cases it may be necessary to send trained investigators, possibly accompanied by a lawyer, into the territory to obtain it. Upon request of the Office of the General Counsel such investigators should be detailed to the Office of the General Counsel by the Chief of the Field Investigation Section of the Commodities Division hereinafter provided for. After being detailed by the Field Investigation Section to the Office of the General Counsel, the investigators, with respect to the particular investigation assigned to them, should report directly to and be guided by the lawyer assigned to the case.

5. There shall be created a separate section, under Mr. Wicker as Chief, to be known as the Field Investigation Section of the Commodities Division. It shall supersede the present Licensing and Enforcement Sections of the Commodities Division and of the Comptroller's Office. The personnel of this section shall consist of such staff at Washington as Mr. Wicker considers necessary for its work, such field representatives and their assistants as are retained, and a corps of investigators, preferably with previous legal and/or accounting education or experience, or with previous training in the work of handling agricultural commodities. Upon any legal problem which may confront the Chief of the Field Investigation Section in directing the activities of the members of his section administratively, the Chief of the Field Investigation Section shall request the advice of the General Counsel.

6. Where in the investigation of any particular case which has been referred to the Office of the General Counsel it becomes necessary to have the services of auditors, upon request of the Office of the General Counsel, the Chief of the Field Investigation Section shall obtain the same from the Comptroller's Office and supervise their activities administratively while they are on such special assignment.

7. The investigators should be specifically trained for their particular work by being required to complete a course in a school for Investigators to be conducted by the Field Investigation Section assisted by the Office of the General Counsel, and to be modeled upon a similar school now operated by the Department of Justice. The Office of the General Counsel shall from time to time assign a lawyer to the faculty of the said school. The curriculum in the school shall include a course on the terms and conditions of the licenses to be enforced. When, at the request of the Office of the General Counsel an investigator is detailed to it for the investigation of a particular case, he should, before going into the field, go over the specific case with the lawyer in charge of it, and take with him into the field detailed general and specific instructions. When he arrives in the field he should cooperate closely with the local agency and/or field representative and make daily detailed reports of the progress of his investigation to the Office of the General Counsel. With the exception of the actual investigation of any particular case under the direction of a lawyer, all investigators and/or field representatives shall be under the jurisdiction of and responsible to the Chief of the Field Investigation Section and all travelling and other expense authorizations shall be obtained directly from the Chief of the Field Investigation Section.

8. The Chief of the Field Investigation Section of the Commodities Division shall be a member of the Coordination Committee hereinafter provided for and it shall be his duty to keep advised upon all questions of policy, and, in particular, to know the policy of the Secretary and of the Administrator with respect to the enforcement of any particular term or condition of any particular license, so that there may be no delay in the determination from a policy point of view whether or not a specific Order to Show Cause should issue or a particular Order of Revocation or Suspension be passed.

9. There shall be created a standing committee known as the Coordination Committee with the following officers of the Agricultural Adjustment Administration as members thereof:

The Administrator, Chairman
The Director of the Commodities Division, Vice Chairman
The Comptroller
The General Counsel
The Assistant Director of the Commodities Division in Charge of Production

The Assistant Director of the Commodities Division in
Charge of Marketing Agreements
The Chief of the Field Investigation Section of the
Commodities Division

The duties of the Coordination Committee shall be to coordinate the activities of the various sections of the Administration, dealing with enforcement matters, and to consider and report upon all questions of administrative enforcement policy.

10. The Office of the General Counsel, upon the basis of the investigation, shall through negotiations with the violator, cause the violation to be corrected amicably and without legal proceedings, if possible, but failing that, shall make recommendations to the proper commodity chief and prepare and submit at the same time to the commodity chief, where the issuance therefor is recommended, an appropriate Order to Show Cause.

. 11. Such Order to Show Cause, before being signed by the Secretary, shall be initialed, if approved by them, respectively, by the following persons: (1) the lawyer in charge; (2) the chief of the commodity section affected; (3) the General Counsel; (4) the Chief of the Field Investigation Section in his capacity as a member of the Coordination Committee upon the question of ultimate policy; and (5) the Administrator. Bearing the above initials, the Order to Show Cause shall be sent direct to the Secretary for signature.

12. After the Order to Show Cause has been signed and issued, the procedure outlined in General Regulations, Series 3, 6, and 7 shall be followed and the conduct of the legal proceedings shall be under the direction of the Office of the General Counsel.

13. During the trial of the case, as well as in the preparation of the same, the Field Investigation Section shall provide the lawyer in charge with such investigators and/or auditors as may be needed for the full discovery and proper presentation of the evidence.

14. Upon the conclusion of the hearing, the Findings of Fact of the Presiding Officer and his recommendations, together with a draft form of order based upon such recommendations and prepared for the Secretary's signature shall be forwarded, with the complete file of the case, to the General Counsel. If approved by the General Counsel, the same shall be forwarded to the Chief of the Field Investigation Section of the Commodities Division, whose duty it shall be in his capacity as a member of the Coordination Committee to present the case with a statement of the policy of the Administration to the Secretary and to obtain the Secretary's prompt decision thereon.

15. All files on matters of enforcement shall be kept by some agency of the Office of the General Counsel hereafter designated by the General Counsel, and all correspondence, documents and papers pertaining thereto shall be promptly forwarded to that Office which will see to it that original papers constituting "filable documents" as defined in Instruction #14 issued by the General Counsel and embraced in the provisions of General Regulations, Series 7, are properly filed in the Office of the Chief Hearing Clerk. Any officer of the Administration shall have access to such files, but no files shall be removed from the agency thus designated except upon the order of the head of that agency and except upon the giving of a proper receipt therefor.

16. Original accounting and other general reports from licensees and reports from auditors containing confidential material shall be kept on file in the office of the Field Investigation Section of the Commodities Division and in the custody of the chief thereof, whose duty it shall be to preserve their confidential character. Copies of such audit reports shall be on file in the Office of the Comptroller, and upon request of the Office of the General Counsel, copies of such reports, and if necessary the originals thereof, shall be furnished to the Office of the General Counsel by the Chief of the Field Investigation Section for use in connection with any particular case.

17. The General Counsel shall issue orders to his staff which may be changed by him from time to time indicating the allocation of the work of his Office set forth in this Report and send copies of such orders and amendments thereof to the members of the Coordination Committee and the appropriate section chiefs.

Respectfully submitted,

George R. Wicker

George R. Wicker.

John Henry Lewin
John Henry Lewin

January 22, 1934

Special Committee

